

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2765-01
Bill No.: SB 900
Subject: Environmental Protection; Motor Vehicles
Type: Original
Date: February 16, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Highway Fund	(\$2,217)	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$2,217)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation** and **Department of Public Safety** assume no fiscal impact to their agency.

Officials from the **Department of Revenue - Driver and Vehicle Services Bureau (DVSB)** assume costs will occur for notifying the field of procedures changes. It is estimated to be \$530 - Highway Funds (\$368 for procedures changes, \$11 for envelopes and \$151 for postage).

Officials from the **Department of Revenue - Information Technology Bureau (ITB)** assume they will incur \$1,687 in overtime programming to update the motor vehicle general registration system to allow for the exemption.

To implement this legislation, DOR could require additional funds. In the past, the programs included in this legislation have been paid for with highway funds. This year highway funds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limits the use of highway funds.

This limitation is found in Section 226.200.3, RSMo. It places a cap on the highway funding available to state departments other than the Department of Transportation. The total amount of highway funds appropriated to these other state departments (including DOR) cannot exceed the

ASSUMPTION (continued)

total amount of their fiscal year 2001 highway appropriations. This cap limits the highway funds that will be available for the implementation of this legislation.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

Officials from the **Department of Natural Resources** assume this proposal would exempt from emission inspections vehicles manufactured 26-years prior to the current model year. Current law exempts vehicles manufactured prior to 1971 from emission inspections. It is assumed this proposal would result in a minimal fiscal impact on the department.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
HIGHWAY FUND			
<u>Cost - Department of Revenue</u>			
Salaries	(\$1,687)	\$0	\$0
Equipment & Expense	<u>(\$530)</u>	<u>\$0</u>	<u>\$0</u>
NET ESTIMATED COST HIGHWAY FUND	<u>(\$2,217)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act mandates emission testing for certain vehicles before sale or transfer and biennially after that to ensure compliance with the Federal Clean Air Act. This act goes on to lay out the vehicles which are subject to the emission inspection program and those that are exempt from the regulations. Included in the exemptions are vehicles manufactured twenty-six years prior to the current model year. Other vehicles admitted in this exemption include but are not limited to, motorcycles, school buses, new and used vehicles manufactured within two years of the current calendar year, and diesel powered vehicles.

This act allows dealers to sell vehicles with prior inspection and approval, provided they disclose that information to the seller. A new inspection must then take place within one hundred and twenty days immediately preceding that sale. The act also makes provisions for buyers who purchase vehicles without prior inspection and lays out circumstances under which those returns are acceptable.

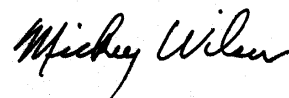
The act lays out maximum fees for emission testing as well as procedures for owners and inspection facilities.

The Missouri Air Pollution Control Fund is created with this act. Moneys from this fund are to be allocated between the Missouri state Highway Patrol, Department of Natural Resources, the Air Pollution Control Program, and other expenditures decided upon by the General Assembly for the administration and enforcement of vehicle inspections.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
Department of Transportation
Department of Revenue
Department of Natural Resources



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